

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN JOE MCKENNEY**, on February 12, 2003 at 8:00 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Joe McKenney, Chairman (R)
Rep. Jim Keane, Vice Chairman (D)
Rep. Donald Steinbeisser, Vice Chairman (R)
Rep. Bob Bergren (D)
Rep. Rod Bitney (R)
Rep. Sylvia Bookout-Reinicke (R)
Rep. Nancy Fritz (D)
Rep. Dave Gallik (D)
Rep. Kathleen Galvin-Halcro (D)
Rep. Ray Hawk (R)
Rep. Bob Lawson (R)
Rep. Rick Maedje (R)
Rep. Gary Matthews (D)
Rep. Scott Mendenhall (R)
Rep. Penny Morgan (R)
Rep. Allen Rome (R)
Rep. Sandy Weiss (D)
Rep. Bill Wilson (D)

Members Excused: None.

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch
Alberta Strachan, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 526 (2/6/03); HB 534 (2/7/03);
HJR 20 (2/7/03)

Executive Action: HB 387 (Tabled); HB 525 (Do Pass As Amended); HJR 20 (Do Pass); HB 536 (Do Pass As Amended)

HEARING ON HB 526

Sponsor: REP. CHRISTINE KAUFMANN, HD 53, Helena

Opening Statement by Sponsor:

REP. KAUFMANN read the title of the bill: An act providing for health insurance coverage of contraceptive drugs, devices, and services; providing an exception for religious employers, defining terms.

EXHIBIT (buh31a01)

{Tape: 1; Side: A; Approx. Time Counter: 40 - 145}

Proponents' Testimony:

Mary Anne Guggenheim, M.D., said this was cost-effective legislation. She then explained the cost of abortion in comparison to contraceptives.

{Tape: 1; Side: A; Approx. Time Counter: 145 - 300}

Gene Fenderson, representing himself, said he was a member of a board that studied pension and health plans across the state. He said he recognizes the need for this type of legislation. He said he believes it is a question of equity being brought forward.

{Tape: 1; Side: A; Approx. Time Counter: 300 - 356}

REP. GAIL GUTSCHE, HD 66, Missoula, said there were two reasons for passing this bill: it is cost effective and it is fair. The cost is \$1.43 per month to cover contraceptives for women or \$21.00 per year. Women pay 68% more out-of-pocket for health care expenses than men. It is an equity issue.

{Tape: 1; Side: A; Approx. Time Counter: 356 - 399}

Claudia Clifford, State Auditor's Office, said this was a fairness issue. Insurance companies do exclude certain kinds of medications which are normally experimental kinds of drugs. Contraceptives have been available for 30 years or more.

{Tape: 1; Side: A; Approx. Time Counter: 399 - 426}

Sami Butler, R.N., Montana Nurse's Association, said they believe in preventative health care and this includes reproductive health care. This bill closes a loophole in prescription coverage, putting contraceptives on the same level as other legal effective

prescriptions. Mandated benefits may increase the cost, which will pass on to the consumer. For the cost of one full term delivery, the insurer can provide oral contraceptives for ten years or a lifetime supply of diaphragms.

{Tape: 1; Side: A; Approx. Time Counter: 426 - 447}

Brad Martin, Executive Director, Montana Democratic Party, said they support reproductive and family planning education and services. They support programs and policies which seek to change attitudes, behaviors and to reduce unplanned pregnancies.

{Tape: 1; Side: A; Approx. Time Counter: 447 - 474}

Linda Gryczan, Montana Women's Lobby, said health insurance policies that cover prescription drugs will pay for drugs to cure baldness, shrink a prostate but they don't always pay for contraception.

{Tape: 1; Side: A; Approx. Time Counter: 474 - 492}

Morgan Sheets, Director, Montana NARAL, said their mission was to prevent unintended pregnancies. She presented written testimony and an article on oral contraceptives, parity and cervical cancer.

EXHIBIT (buh31a02)

EXHIBIT (buh31a03)

{Tape: 1; Side: A; Approx. Time Counter: 492 - Tape: 1; Side: B; Approx. Time Counter: 42}

Jeri Duran, Intermountain Planned Parenthood, provided written testimony.

EXHIBIT (buh31a04)

{Tape: 1; Side: B; Approx. Time Counter: 42 - 87}

Beth Brenneman, Legal Director, American Civil Liberties Union, said the failure to cover prescription contraceptives when prescriptions are covered otherwise, is gender discrimination. Under the federal law, the protection from gender discrimination is statutory. In Montana it is constitutional.

{Tape: 1; Side: B; Approx. Time Counter: 87 - 129}

Opponents' Testimony:

Lani Candelora, Montana Catholic Conference, provided testimony from Linda Gryczan; testimony from Secretariat for Pro-Life Activities and Religious Liberty Litigation Fact Sheet.

EXHIBIT (buh31a05)

EXHIBIT (buh31a06)

EXHIBIT (buh31a07)

{Tape: 1; Side: B; Approx. Time Counter: 139 - 238}

Tanya Ask, Blue Cross/Blue Shield of Montana, discussed health care costs for coverage of contraceptives, options, enforcement and definitional questions. She also presented testimony regarding the current federal and state mandates.

EXHIBIT (buh31a08)

{Tape: 1; Side: B; Approx. Time Counter: 238 - 313}

Julie Miliam, Executive Director, Montana Family Coalition, provided written testimony on RU486 (the abortion pill), it's risks and dangers; written testimony from Michael Cullen, M.D., on the important drug warning concerning unapproved use of intravaginal or oral misoprostol in pregnant women; and written testimony from Tom Bliley, directed to The Honorable Jane Henney, M.D., Commissioner, Food and Drug Administration.

EXHIBIT (buh31a09)

EXHIBIT (buh31a10)

EXHIBIT (buh31a11)

{Tape: 1; Side: B; Approx. Time Counter: 313 - 320}

Gregg Trede, Executive Director, Montana Right To Life, said this bill is very vague regarding the religious conscious clause, contraceptive drugs, and the state employee insurance program.

{Tape: 1; Side: B; Approx. Time Counter: 320 - 390}

Don Allen, Montana Association of Insurance and Financial Advisors, said he concurs with the testimony of Tanya Ask. He also stated the insured should have a choice of mandates, or a choice of not receiving mandates.

{Tape: 1; Side: B; Approx. Time Counter: 390 - 418}

Frank Cote, Health Insurance Association of America, said most health insurance carriers actually cover the cost of birth control pills when they are treating a disease or defect. He also said there are between 17% and 20% of the people who are uninsured.

{Tape: 1; Side: B; Approx. Time Counter: 418 - 463}

Steve Turkiewicz, Executive Vice President, Montana Auto Dealers Association and Secretary, MADA Trust, said he was concerned about employees holding insurance policies who have cancelled them because of the cost.

{Tape: 1; Side: B; Approx. Time Counter: 463 - 500}

Spook Stang, Executive Vice President, Montana Motor Carriers, said they are in opposition of this bill.

{Tape: 2; Side: A; Approx. Time Counter: 3 - 13}

Informational Testimony: None

Questions from Committee Members and Responses:

REP. BOOKOUT-REINICKE asked Ms. Ask if patients were allowed to purchase contraceptives outright with a doctor's prescription. Her answer was, "Yes."

{Tape: 2; Side: A; Approx. Time Counter: 16 - 30}

REP. MATTHEWS asked Ms. Ask what the cost would be for a family of four to be insured and he was told it had increased from \$45 to \$105.

{Tape: 2; Side: A; Approx. Time Counter: 30 - 43}

REP. MORGAN questioned Ms. Ask about opt-in and opt-out provisions. **Ms. Ask** stated that if a person wants to buy an individual option they may do so if the policy does have opt-in specifications.

{Tape: 2; Side: A; Approx. Time Counter: 43 - 104}

REP. MAEDJE asked Ms. Ask about an amendment to require providers to offer an optional rider to cover these things. **Ms. Ask** said she had spoken to the sponsor prior to this hearing and they would support this suggestion.

{Tape: 2; Side: A; Approx. Time Counter: 104 - 131}

REP. GALLIK asked Ms. Brennaman about out-of-pocket costs. **Ms. Brennaman** said they would still be incurred.

{Tape: 2; Side: A; Approx. Time Counter: 131 - 207}

Closing by Sponsor:

The sponsor closed.

{Tape: 2; Side: A; Approx. Time Counter: 207 - 392}

HEARING ON HJR 20

Sponsor: REP. DON ROBERTS, HD 10, Billings

Opening Statement by Sponsor:

REP. ROBERTS read the title of HJR20: A joint resolution of the Senate and the House of Representatives of the State of Montana requesting that the Legislative Audit Committee complete a series of limit-scope performance audits of the operations of professional licensing boards administratively attached to the Department of Labor.

{Tape: 2; Side: A; Approx. Time Counter: 392 - 483}

Proponents' Testimony:

REP. DEE BROWN, HD 83, Hungry Horse, said she wanted to sunset every board on the books and make them justify their existence. However, the Auditor convinced them that it was probably not cost effective. The resolution was devised.

{Tape: 2; Side: A; Approx. Time Counter: 483 - 500}

Pat Melby, Montana Medical Association, said these boards do operate relatively independently and there is a good reason for periodic legislative oversight.

{Tape: 2; Side: B; Approx. Time Counter: 1 - 11}

Mary McCue, Montana Dental Association, said the Board of Dentistry is excellent. Her concerns are with ensuring that disciplinary actions adequately protect the public.

{Tape: 2; Side: B; Approx. Time Counter: 11 - 48}

Robin Cunningham, representing himself, said performance audits are regularly performed anyway but the bill has a key word "prioritize." There are particular boards who may need investigating now.

{Tape: 2; Side: B; Approx. Time Counter: 48 - 61}

Opponents' Testimony: None

Informational Testimony:

Kevin Braun, Department of Labor & Industry, said he was available for questions.

Questions from Committee Members and Responses: None

Closing by Sponsor:

The sponsor closed.

{Tape: 2; Side: B; Approx. Time Counter: 68 - 94}

HEARING ON HB 534

Sponsor: REP. DONALD STEINBEISSER, HD 100, Sidney

Opening Statement by Sponsor:

REP. STEINBEISSER read the title of the bill: An act increasing the minimum number of employees that a business that provides

group health insurance for its employees must have in order to request underwriting information.

{Tape: 2; Side: B; Approx. Time Counter: 102 - 176}

Proponents' Testimony:

John Cadby, Montana Bankers' Association, provided written testimony.

EXHIBIT (buh31a12)

{Tape: 2; Side: B; Approx. Time Counter: 176 - 245}

Steve Turkiewicz, Montana Auto Dealers Association, said they do not individually rate an employer or employee in the plan. In order to retain stability, the group is rated as a whole. Every plan member of the group is a part of the claims program and they do not segregate by employer.

{Tape: 2; Side: B; Approx. Time Counter: 246 - 271}

Jim Edwards, Certified health consultant, provided written testimony; Probability Claim Form; Stop loss medical disclosure statement; List of PCLS; SAFECO Life and Investments disclosure statement.

EXHIBIT (buh31a13)

EXHIBIT (buh31a14)

EXHIBIT (buh31a15)

EXHIBIT (buh31a16)

EXHIBIT (buh31a17)

{Tape: 2; Side: B; Approx. Time Counter: 271 - 391}

Bill Stevens, Montana Food Distributors Association, said they support this bill.

{Tape: 2; Side: B; Approx. Time Counter: 391 - 420}

Opponents' Testimony:

Claudia Clifford, Insurance Commissioners Office, said they support this bill. They support the pooling of small employers together. This bill takes current law to try and provide more underwriting information to groups so they would "shop around."

{Tape: 2; Side: B; Approx. Time Counter: 421 - 478}

Pat Melby, Montana Medical Association, said they were sympathetic to the concerns of the association's group health insurance trusts. This bill is much broader.

{Tape: 2; Side: B; Approx. Time Counter: 478 - 500}

Sandy Butler, Montana Nurse's Association, said this will penalize small businesses by denying access to underwriting information which might be vital to their business.

{Tape: 3; Side: A; Approx. Time Counter: 1 - 7}

Informational Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

The sponsor closed.

{Tape: 3; Side: A; Approx. Time Counter: 12 - 88}

EXECUTIVE ACTION ON HB 387

{Tape: 3; Side: A; Approx. Time Counter: 101 - 111}

Motion/Vote: REP. MORGAN moved HB 387 BE TABLED. Motion carried 18-0.

EXECUTIVE ACTION ON HB 525

{Tape: 3; Side: A; Approx. Time Counter: 111 - 178}

Motion: REP. KEANE moved HB 525 DO PASS.

Motion: REP. KEANE moved HB 525 AMENDMENTS.

EXHIBIT (buh31a18)

Discussion:

REP. KEANE discussed the amendments.

REP. BITNEY said he supported the amendments.

Vote: Motion carried 18-0.

Motion/Vote: REP. KEANE moved HB 525 DO PASS AS AMENDED. Motion carried 17-1 with REP. LAWSON voting no.

EXECUTIVE ACTION ON HJR 20

{Tape: 3; Side: A; Approx. Time Counter: 178 - 195}

Motion/Vote: REP. MORGAN moved HJR 20 DO PASS. Motion carried 17-1 with REP. KEANE voting no.

EXECUTIVE ACTION ON HB 536

{Tape: 3; Side: A; Approx. Time Counter: 195 - 500}

Motion: REP. STEINBEISSER moved HB 536 DO PASS.

Discussion:

Mr. Campbell said both of the amendments were located in the same place on the bill. REP. BOOKOUT-REINICKE's amendment strikes the whole sentence, and REP. MAEDJE's amendments strike part of the sentence.

EXHIBIT (buh31a19)

REP. MORGAN said she had spoken with REP. BRUEGGEMAN and he indicated he would be visiting with the attorney to see what they could do about shortening up this whole language.

REP. BITNEY said Mr. Halver was here with the Montana Association of Realtors and he was working with REP. BRUEGGEMAN and he might know or have some input on these amendments. Mr. Halver said he had not worked with either.

CHAIRMAN MCKENNEY said he had not been told to hold the bill for executive action.

Motion: REP. MAEDJE moved HB 536 BE AMENDED.

EXHIBIT (buh31a20)

Discussion:

Mr. Halver said he had seen the amendment.

Vote: Motion carried 14-4 with REPS. BOOKOUT-REINICKE, MORGAN, BITNEY, and WEISS voting no.

Motion: REP. LAWSON moved HB 536 DO PASS AS AMENDED. A roll call vote was taken. Motion carried 12-6 with REPS. KEANE, BERGREN, FRITZ, GALLIK, GALVIN-HALCRO, and WEISS voting no.

ADJOURNMENT

Adjournment: 10:55 A.M.

REP. JOE MCKENNEY, Chairman

ALBERTA STRACHAN, Secretary

JM/AS

EXHIBIT (buh31aad)